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STATE PASS TO USTR

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TAGS: [PGOV](#) [PREL](#) [ETRD](#) [PM](#)  
SUBJECT: STAFFDEL MEACHAM AND TOON MEET WITH FM LEWIS

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Summary  
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¶1. (SBU) Passage of the U.S.-Panama Free Trade Agreement (FTA) was key to deepening the bilateral relationship and facilitating cooperation in security issues, First Vice President and Foreign Minister Samuel Lewis told Meacham and Toon October 18. Lewis discussed strategies to shore up Congressional support for the FTA. Lewis also lamented the prospect of significant reductions in USG democracy and capacity-building assistance programs, calling such treatment by a strategic partner "ridiculous." Vice Foreign Minister Ricardo Duran, Ambassador William Eaton and PolOfficer also participated. End summary.

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FTA  
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¶2. (SBU) Lewis highlighted the importance of the FTA to the bilateral relationship, emphasizing that the FTA would impact the relationship beyond the trade arena, especially in the "U.S.-Panama strategic alliance." The FTA would bring more segments of Panamanian society into the alliance, deepening and broadening the relationship, Lewis said. The FTA would thus make other areas of cooperation easier, especially in security issues including intelligence, counternarcotics, and counterterrorism, he added.

¶3. (SBU) Lewis discussed ways to increase the chances of the FTA's passage in Congress. He agreed that linking the Panamanian FTA with those of other countries like Colombia or Peru would be a mistake. He emphasized the need to build up the national security elements of the FTA, adding that this aspect was unique to Panama and would gain votes from otherwise wary legislators. As an example, Lewis said that Panama enjoyed a good relationship with the Congressional Black Caucus; some members who normally voted against free trade agreements nonetheless understood and accepted the national security argument in support of an FTA with Panama. Furthermore, the FTA may be easier to sell because Panama does not pose a threat in terms of U.S. job displacement or flooding the U.S. market, said Lewis.

¶4. (SBU) Lewis agreed with the suggestion to focus on Senators who had an interest in Latin America, including possibly Senators Grassley, Baucus, and Bingham, and Senator Leahy. Lewis suggested inviting members of Congress to visit

Panama or possibly sending the Panamanian Ambassador in the United States out to visit the home states of key Senators. He said Panama had a special relationship with many Members of Congress who still remembered passing the 1977 Carter-Torrijos treaty. Lewis said he understood the importance of keeping the FTA a nonpartisan issue and the need to ratify the agreement quickly in Panama to demonstrate the country's commitment and interest.

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Security Cooperation and Public Outreach  
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15. (SBU) Panama considered the relationship with the United States of the greatest importance, said Lewis, and saw itself as a border state. The GOP was committed to a working relationship with the United States that accounted for Panama's position as a "border and transit" state. Panama was very conscious of the role it needed to play in counternarcotics, money laundering, terrorist financing, and fighting all types of criminal activity, Lewis added. However, the reality was that Panama lacked the necessary resources for the kind of cooperation it would like to develop, said Lewis. The two countries needed to focus on areas of cooperation and funding that could be geared to mutual interests.

16. (SBU) Lewis's main focus on security pushed beyond law enforcement and into long-term programs and public diplomacy. He emphasized the need to combine social impact activities and the fight against crime, especially in remote areas with limited government presence. There was no substitute for human intelligence, said Lewis, and security forces could not substitute for community workers who served the community while gathering crucial information. Lewis questioned the elimination of such capacity building programs and the focus on law enforcement in current USG assistance. Such treatment was "ridiculous," he said.

17. (U) This cable has been cleared by Carl Meacham and Bernard Toon.

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